Annual Report

The
Corporation
of
The City of
Calgary

92-07370/

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Cover Photo

The shining glass exterior of the modern Municipal Building contrasts with the traditional architecture of City Hall.

MAYOR'S MESSAGE

The past year marks a time of significant change for The City of Calgary, and we are moving into a year that promises both challenge and opportunity.

The stage is set for a productive year with the completion of Council's Strategic Plan, a document charting our course in several key areas: accountability and communications, intergovernmental relations, the environment, social challenges and economic diversification. This plan is a unique accomplishment for Council, and provides an example to other levels of government. We are now positioned to ensure an exciting future for the citizens of Calgary.

Council and the administration demonstrated strong commitment to community issues. The South Calgary Transit Planning Exercise, for example, facilitated valuable citizen input on service from Calgary Transit's clientele. The Greater Forest Lawn Initiative, a pilot project, began bridging the cross-cultural community with the mainstream community associations and agencies in the area. And we look forward to continued citizen feedback in 1991 from Town Hall meetings in all four quadrants of the city.

On the financial front, 1990 demanded a true commitment from Council to a solid bottom line. Increasing divestiture of financial responsibility by both levels of governments reinforced the need for a solid intergovernmental affairs program. Budget deliberations were long and drawn out as Council struggled with the needs of a growing city and a commitment to minimum tax increases. The financial constraints in the coming year will be no less arduous.

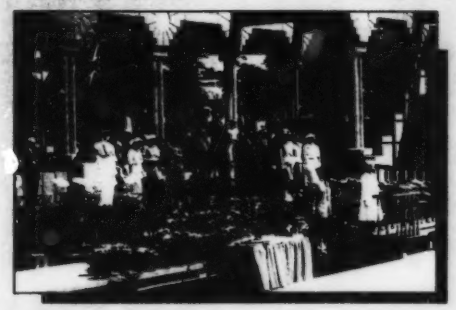
Calgary took on a new shade of green as we kicked off several important environmental initiatives in 1990. Our residential recycling pilot project is the first step in determining Calgary's permanent recycling strategy. A.I.R. Calgary (Air Improvement Resolution) was launched city-wide, and the first Environment Expo saw over 3,000 Calgarians explore a multitude of displays, tours, and workshops. I anticipate this event will be a tremendous success again during Environment Week in 1991. Another significant project underway is the Calgary River Valleys Management Committee, dedicated to enhancing our waterways.

Social changes are being thoroughly addressed in the report of the Task Force on Community and Family Violence to be tabled early in 1991. Several months of research, public opinion surveys and private meetings are forming the basis of a comprehensive document that will reveal a realistic look at violence in Calgary. Equipped with this blueprint for change, we will pursue greater coordination of services and increased awareness of the problem. Our goal, ultimately, is to maintain a safe city.

Economic diversification must remain a priority in light of continued retrenchment in certain sectors. Several large corporations moved to Calgary, creating an influx of new families and jobs. Council will be moving towards a growing partnership with the Chamber of Commerce to develop a broad base of industry and business in Calgary.

I have personally enjoyed the opportunity to lead The Corporation of the The City of Calgary through this past year. I am proud of our employees who have consistently demonstrated a strong commitment to their work; they are our greatest strength. 1991 will be a year that demands no less, and probably more from each of us, a challenge I am confident we will meet.

AL DUERR
MAYOR

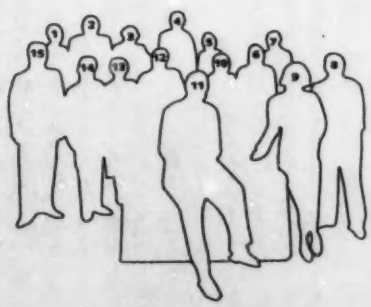


Historic Royal Visit

In June, amid the pomp and pageantry of an historic royal visit, City Council joined in welcoming Her Majesty Queen Elizabeth II in honour of the 80th anniversary of two of Calgary's military regiments.

City Council
Mayor and Aldermen

1. Suzanne Higgins	Ward 12
2. Ron Leigh	Ward 6
3. Barb Scott	Ward 8
4. Glen Johnston	Ward 13
5. Sharon Fisk	Ward 2
6. John Schmal	Ward 3
7. Craig Reid	Ward 11
8. Dale Hodges	Ward 1
9. Bev Longstaff	Ward 7
10. Yvonne Fritz	Ward 5
11. Al Duerr	Mayor
12. Rick Smith	Ward 9
13. Carol Kraychy	Ward 14
14. Richard Magnus	Ward 4
15. Ray Clark	Ward 10



...[illegible] ...have embarked on the journey of creating and presenting a united political agenda...

COUNCIL'S STRATEGIC PLAN

Early in the new Council's term, 14 City Aldermen and the Mayor convened over a period of months in a strategic planning exercise to better equip elected officials to take control of Calgary's future. In a published document entitled "Council's Strategic Plan: Charting Calgary's Future", five key issues were outlined:

1. Accountability and communication
   How can we improve accountability and communication among Council, the public and the administration ?
2. Economic diversification
   How will we address the need for economic diversification to ensure employment opportunities and a strong tax base ?
3. Environment
   How can we help to protect and enhance the environment ?
4. Intergovernmental relationships
   Recognizing the significant impact of other levels of government on The City, how do we manage our future ?

   Social challenges
   How will we address social disparities and multicultural diversity ?

To address these important issues in their strategic plan, Council determined greater emphasis would have to be placed on the policy-making aspects of their role. Reductions in their external committee involvements from 75 to 45 would be a positive move to free the councillors from administrative tasks. The change would also allow a sharper focus on policy in City Council meetings and encourage more vigorous debate at the Standing Policy Committe level. The following represents the revised committee structure:

Special Committee Audit and Budget
Standing Policy Committee Transportation, Transit and Parking
Special Committee Land and Shelter
Standing Policy Committee Community Services
City Council
Standing Policy Committee Utilities and Finance
Special Committee Gas and Power
Standing Policy Committee Operations and Environment
Special Committee Intergovernmental Affairs

ADAPTING *to* CHANGE

Employment Equity

City Council laid the foundation for tomorrow's changing work force with the release of the Corporate and departmental Employment Equity Action Plans. Recognizing that future trends in the labour force will see a shortfall of qualified workers in the early part of the next century and an increased participation of non-traditional workers, The City developed strategies to broaden its human resource base.

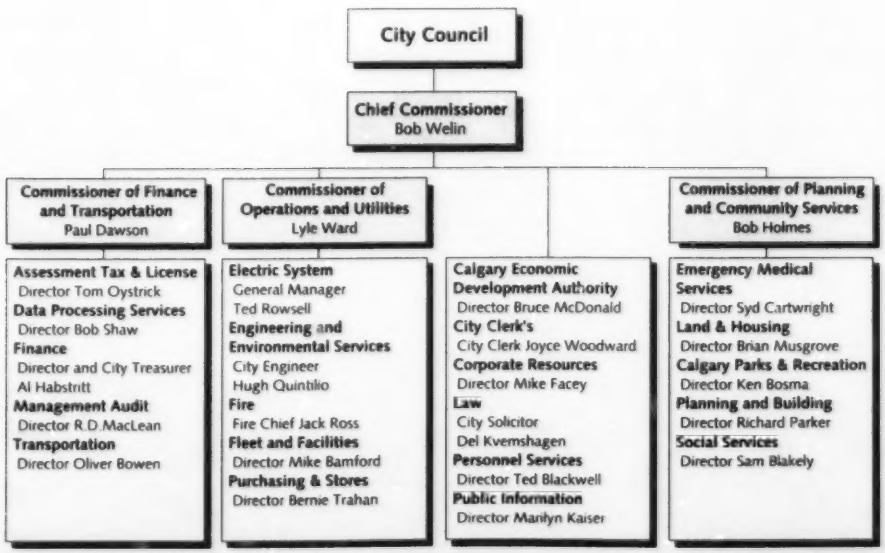
The Employment Equity Action Plans developed by The City identify initiatives over a three year period that will increase representation in the four designated groups targeted by the Federal Government's Royal Commission on Equality in Employment: women, visible minorities, aboriginal people and persons with disabilities. As more people from the designated groups are encouraged to apply for positions in the civic work force, both the Employment Equity program and the merit principle of hiring will be the main criteria in The City's hiring practices.

Pay Equity

Additional enhancements to The City's non-discriminatory employment practices were adopted at year end when a Council-appointed task force examined the issue of pay equity and recommended The City proceed with a Pay Equity program. Commencing in 1991, a civic work force review will identify male and female dominated jobs, and a "gender neutral" job evaluation system will assess the relative value of the work performed. If female dominated jobs are being paid less than male dominated jobs which are determined to be of equal value, gender-based pay inequities will be redressed over time. Civic union and employee association representatives will participate in the evolution of the program.

Administration

Council approved three departmental name changes to reflect changing priorities. To act as The City's focal point for environmental issues and concerns, City Council established a new Environmental Services Office (ESO) within the department of Engineering and renamed the department Engineering and Environmental Services. The Mechanical Services Department was renamed Fleet and Facilities, and the Land Department became Land & Housing.



POLLING *the* CITIZENS

One of the approved recommendations of The City's Financial Planning Task Force was that the public be polled from time to time to assess the current level of City services that citizens are willing to financially support. A telephone poll was conducted in 1990 by a private sector firm and reflects the following findings:

80% of Calgary residents support maintaining current tax levels with increases only to keep pace with inflation. Citizens generally view the municipal tax levels to be reasonable and feel they are getting good value for their money.

44% of Calgarians would support an increase in service and spending levels in Social Services, Emergency Services (police, fire and ambulance), and Roads.

56% of residents support road upgrading to maintain existing travel times. When asked whether they favour or oppose City plans to spend $112 million on road upgrading (which would permit maintaining travel times despite population growth) 85% are either strongly or somewhat in favour of this expenditure.

61% say road maintenance spending should remain at about the same level ($14 million annually). Significantly, 35% of the population say spending should increase.

87% state that the overall quality of service provided by The City is either good, very good or excellent.

60% of residents favour decreasing the frequency of garbage collection to once every two weeks in winter if cost savings of $800,000 per year were realized.

89% of residents favour implementing a recycling program at a cost of approximately $16 per household.

70% feel that spending levels for Calgary Parks & Recreation should remain about the same, and recreation user fees should remain at current levels or be reduced.

Council directed City administration to consider the poll results in all evaluations of future service levels and contracts.

SUPPORTING FESTIVALS

Celebrations of Calgary's heritage, cultural and ethnic diversity, and commitment to quality of life capture broad citizen support in all seasons. Based on representation in 1990 from the local Festivals Initiatives Group that The City recognize the contribution of festivals to the quality of life in Calgary, Council adopted a policy that would provide consistency in festival funding allocations and assist both City administration and festival organizers in future planning.

Economic Climate

Calgary felt the effects of the economic recession less than the rest of Canada as slowdowns were both regional and industry specific. Alberta, in general, remained stronger due mainly to increased investment in the natural resources sector.

Energy Industry

Oil pricing stability brought on by consensus among the oil producing nations to curtail production held oil prices at levels above $US 19.00 per barrel. However, as 1990 drew to a close, oil prices had become increasingly erratic as the threat of war in the Persian Gulf escalated. By year end, the average price per barrel had risen to $US 24.50, translating into higher revenues to industry and the province.

Greater stability characterized Calgary, the "Energy Capital of Canada", after a four year rationalization of the energy sector. Industry-wide staff reductions brought on by mergers and consolidations resulted in leaner, more efficient companies poised to compete in a resurgence in energy investments projected for mid-decade.

Just as major investments in Newfoundland's Hibernia oil project, announced in 1990, will be beneficial for Alberta's service and supply sector, the future of Alberta's natural gas industry strengthened in 1990 by the unfolding of several events:

- The National Energy Board ruling on the $2.5 billion expansion of the TransCanada Pipeline will result in significant advances for Alberta producers to sell gas into the vast U.S. northeast market;
- The California regulatory climate became more favourable to Canadian gas, opening the doors for increased exports by Alberta producers;
- Mass public support of government legislation in the U.S. encouraged the use of clean air fuels such as natural gas, and natural gas liquids.

The most significant natural gas discovery in Alberta over the past 20 years received regulatory approval in 1990 for development by Shell Canada which is headquartered in Calgary. The development plan for the Caroline Swan Hills Gas Field located 140 kilometers northwest of the city calls for capital expenditures of $825 million in major facilities, gathering systems and pipelines. The Caroline plant will utilize the latest in operational and environmentally-sensitive technology to process 300 million cubic feet per day of raw gas.

Among numerous economic spin-off benefits to Alberta will be the more than $2 billion in royalties paid to the provincial government over the 30 year operating lifetime of the project.

Economic Diversification

Over the past several years the Calgary economy, specifically markets and products continued to diversify into advanced technology and research, manufacturing, retail trade, services, transportation, communications and tourism. Advances in these sectors are attributable primarily to the well-educated, entrepreneurial workforce attracted by a high quality of life. The region surrounding Calgary offers diverse recreational and tourist benefits due mainly to geographical features ranging from virgin prairie, foothills, vast forestry reserves, and the nearby Rocky Mountains.

Economic Indicators

Calgary's population grew 3.2% in 1990 to 693,000. Between April 1980 and April 1990 Calgary's population increased by 123,000. Of that, almost 66% is attributable to natural increase, 33% to net in-migration, and nearly 1% to people occupying lands annexed to the city.

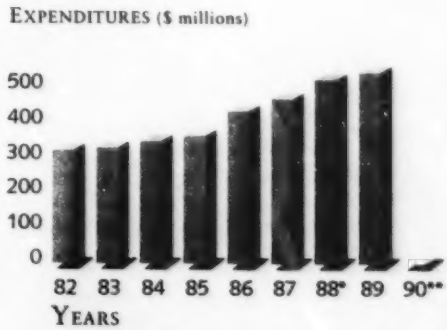
Calgary ranks as Canada's third largest head office city, home to nearly 40,000 companies. Calgary's unemployment rate for 1990 was 7.2%, lower than the national average of 8.1%. The total number of persons employed increased in 1990 by 3,400.

The number of tourists visiting Calgary in 1990 increased to 8.7 million over 1989 figures of 8.5 million reflecting attractive recreation, convention and retail activity. Since 1982 tourist expenditures have increased from $340 million to over $561 million in 1990.

Calgary's Population
1980-1990

Source: City of Calgary
Corporate Resources Department

Tourism Growth in Calgary
1982-1990



*Does not include Olympic Data
**Projected figures

The CITY'S FINANCES

As Calgary moves into the 90s, The City's financial policies are providing the flexibility to adapt to changing economic circumstances, while maintaining municipal services at levels citizens have indicated they want.

OPERATING ACTIVITY *1990*

The City budgeted $744 million to fund day-to-day services, operations and maintenance of public facilities. By year end favourable expenditure variances and higher-than-budgeted revenue had created a surplus of $9 million. This surplus is to be transferred to the Mill Rate Stabilization Reserve, a 'savings account' used for balancing the operating budget without having to raise taxes above the level of inflation.

The average residential property tax bill amounted to $1,255 in 1990. Of that amount 52% supported municipal services while 48% contributed to the financing of the local school boards.

The civic budget projected 10,537 municipal staff years for 1990, of which 8,778 were tax-supported, and the remainder paid through self-supporting operations.

CAPITAL ACTIVITY *1990*

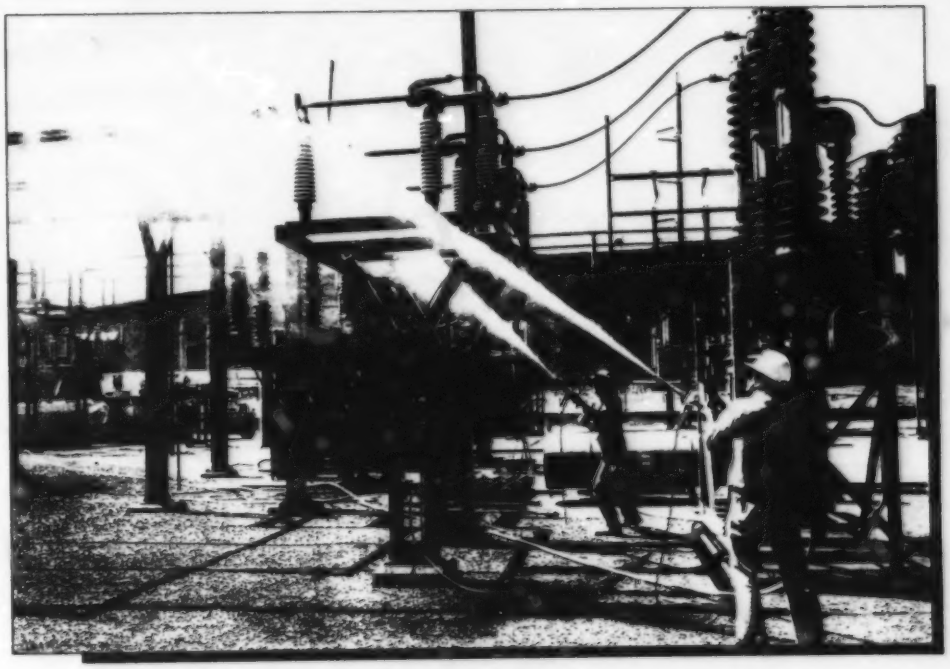
The City spent $111 million in 1990, mainly on streets, public transportation and parks. The tax-supported capital budget encompasses projects that may take several years to complete. As these projects can in some cases be costly, it is necessary to plan these expenditures carefully over a several year period. The City's five year plan to 1995 calls for expenditures of just over $550 million, the largest share ($394 million) being allocated to transportation.

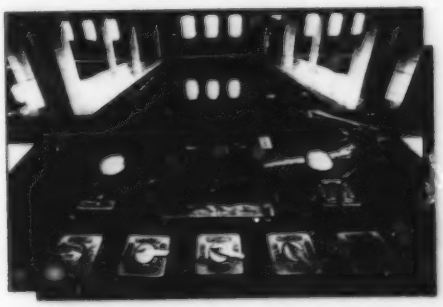
SELF-SUPPORTING OPERATIONS *Utilities*

The City of Calgary Electric System, and the Waterworks and Sanitary Sewer utilities are fully financed by utility sales. In 1990 revenues totalled $503 million. Rates in each of the utilities increased 3.5% over 1989, reflecting the increased cost of purchasing electricity, and higher operating costs.

The CITY'S DEBT

Outstanding tax-supported debt dropped from $960 million in 1989 to $925 million in 1990, aided by strict debt reduction policies established by Council in the late 1980s. By 1995 the debt is expected to decline to $724 million. Debt service payments declined to 17.4 % of The City's operating budget from nearly 20% in 1989. By 1995 these payments are scheduled to shrink to 15% allowing for greater financial flexibility in the operating budget.



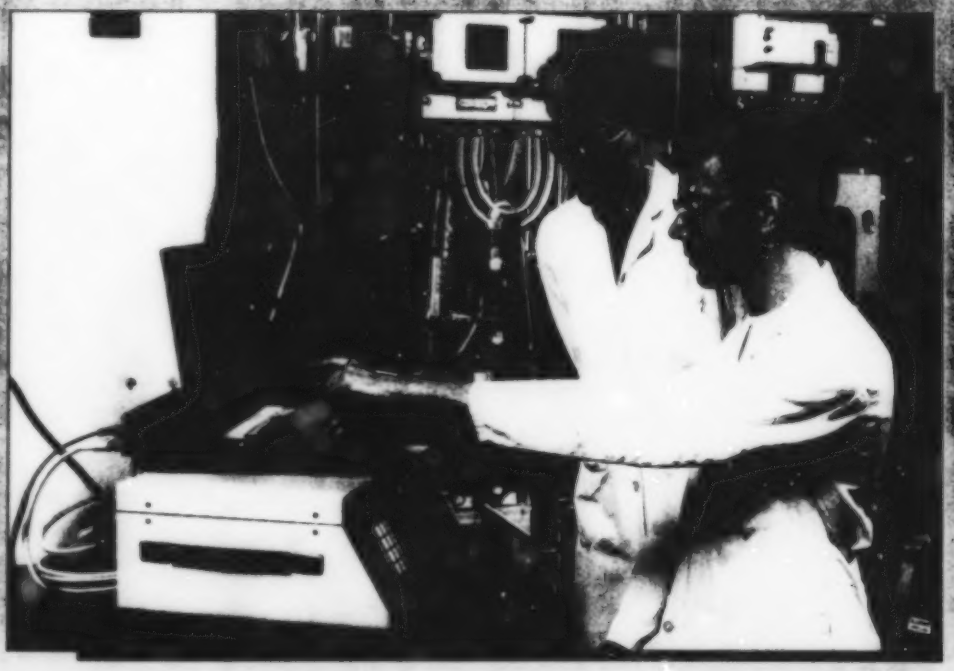


ABOVE:

Specialized high pressure spraying of "hot" transformers to remove dirt reduces the chance of electric power disruption to 12,000 city customers.

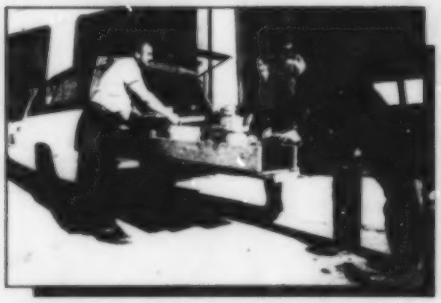
BELOW:

Glenmore Water Treatment Plant filter gallery is photographed looking out over the 1965 filter beds. The original filter control console is in the foreground.



ABOVE:

Calgary's drinking water quality and treatment plant efficiency will benefit significantly from the 1990 "Particle Counting Analysis" study conducted by City engineers. The innovative Service Improvement Project will be published by a major U.S. research foundation and distributed to engineers and scientists around the world.



BELOW:

The slide-out cargo bed allows easier access for loading and unloading heavy, awkward equipment. This Employee Suggestion saves labour time, reduces back injuries, and fits on smaller trucks, resulting in first year savings of $6,714.

Credit Rating

During 1990 the international bond rating service Standard & Poors reaffirmed The City of Calgary's 'AA' rating based on:

"...steady economic growth, consistent operating surpluses, a moderately high but declining tax-supported debt burden, and relatively low levels of overlapping debt.

"The City's operating surpluses, aided by current expenditure restraint and transfer payments from City operated utilities, have averaged about 2.4% of operating revenues the past five years. Total municipal debt remains high but should decrease going forward as tax-supported debt levels continue to decline with only moderate increases in self-supporting debt."

G.S.T. impact *on* Canadian Municipalities

The City of Calgary assumed a leading role with the Federation of Canadian Municipalities in negotiations with the federal government throughout 1990. The City provided extensive data to ensure the federal finance minister's undertaking that the effective rate of Goods and Services Tax would impose no greater tax burden on municipalities than the previous Federal Sales Tax.

As negotiations progressed, the federal government favoured a 4.5% effective rate of taxation. Intensive research by City specialists found that the rate was too high to meet the finance minister's undertaking. Final negotiations brought the rate down to 3%. The City of Calgary and all Canadian municipalities now benefit from this major effort.

Service Improvement

The City continued to encourage employee participation in Service Improvement activities throughout the year. Approximately 180 projects were initiated involving 300 employees. Savings generated during the year totalled $1.4 million. This brings cumulative savings for the six years ending in 1990 to more than $18 million. A plan to refocus the program was launched by year end to generate even higher employee participation in the coming years.

Through the Employee Suggestion Program, civic workers saved The Corporation $104,342. Of 1,119 suggestions, 196 were implemented. For their efforts, these employees received both tangible and intangible awards valued at just over $19,000. Cumulative savings for the six years ending in 1990 have reached approximately $1.6 million. During the year, the largest savings was $29,886 for a new tool design which allowed repair rather than replacement of transit farebox components.

Economic Development

Calgary has positioned itself as one of the leading cities in Canada competing for Southeast Asian investment. Firms located in Eastern Canada, the United States and Europe are also being aggressively pursued to locate or expand their businesses in Calgary.

Trade Mission Success

Through the efforts of Mayor Al Duerr and the Calgary Economic Development Authority (C.E.D.A.), a partnership between the Calgary Chamber of Commerce and The City of Calgary, trade missions were targeted to numerous cities and countries to promote Calgary's favourable investment climate and attractive quality of life.

Among many 1990 highlights, the following companies established businesses in Calgary during the year, creating employment in excess of 350 new jobs for Calgarians:

Beauty Forest Knitting Mills, manufacturers of Polo/Ralph Lauren knit goods established a plant fuelled by Hong Kong investment.

Computing Devices Company of Ottawa won a $1 billion contract to produce new communication equipment for the Canadian Armed Forces. The company will also build an 80,000 square foot manufacturing facility in Calgary.

Hughes Aircraft of Canada Ltd. established their Canadian head office in Calgary in 1990.

TransCanada Pipelines Ltd. relocated their head office to the city from Toronto. More than 300 families moved into Calgary.

Toby Corporation of Hong Kong has committed to building a plastics recycling plant in Calgary.

Flying Crane Garment Company of Hong Kong is scheduled to build a high fashion manufacturing facility.

Numerous contracts signed by countries and investors from all over the world for the supply of commercial engineering services and real estate investment projects also benefited city firms in 1990.

Film Industry

A thriving Calgary film industry is enthusiastically marketed by C.E.D.A. as a technically skilled community of film crews, local talent and support services, augmented whenever required by cooperative City services.

More producers from all over the world are choosing the Calgary area each year because of opportunities to film against a diverse backdrop of spectacular land and cityscapes in and around the city. In 1990 a total of $30 million was injected into the local economy in film and commercial projects.

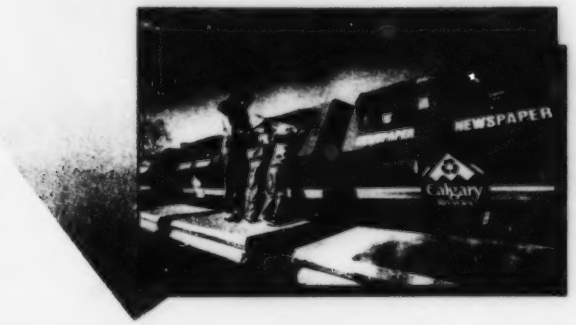
ABOVE:

Film producers are attracted to the Calgary area by the diversity of architectural styles, both urban and rural, and the growing stock of local talent.

BELOW:

At TransCanada PipeLines' gas control centre in the new Calgary head office, the company manages the flow of 5 billion cubic feet per day of natural gas from the Alberta border to markets in Ontario, Quebec, the U.S. Midwest and Northeast.

Environmental Responsibility



As the commitment toward environmental responsibility at the municipal level spread throughout The Corporation, City administration and Council established a focal point for coordinating and expanding the growing list of Corporate environmental initiatives.

Environmental Services Office

Environmental issues continued to be a priority early in 1990 with the formation of The City's Environmental Products Committee. Initially the committee was to examine products consumed by The City of Calgary and make recommendations on alternatives that would be more environmentally friendly. The sheer volume of active environmental projects and a changing public concern prompted City Council to approve the establishment of the new Environmental Services Office in the Engineering Department to assume an expanded mandate over the long term:

- coordinate environmental activities throughout The Corporation;
- develop The City's positions on environmental issues;
- publicize how The City is responding to environmental concerns;
- act as primary contact for public environmental groups;
- promote environmental initiatives for all Calgarians.

The City's Clean Air Policy

During 1990, The City of Calgary developed an overall strategy to improve air quality and reduce petroleum consumption. The City hopes to lead by example other corporations and all Calgarians.

In Calgary more than 85% of air pollution is automobile generated; more than 504,000 automobiles were registered in 1990. The City launched the Air Improvement Resolution (A.I.R.) in June 1990 to ask Calgarians to leave their cars at home twice a month and use alternative transportation. Car pooling, riding the bus or C-Train, cycling or walking were promoted as voluntary ways to improve the quality of air in the city. Public response aided by enthusiastic media support is favourable and growing.

Environmental Initiatives

As of late 1990, the renamed Engineering and Environmental Services Department undertook to develop and advance a number of initiatives focused both within The Corporation and externally on all Calgarians. The following is a partial list of initiatives, ongoing or new, implemented during the year:

Energy Reduction and Conservation

Corporate

- recovering heat from motors to heat water treatment plants
- minimizing electricity and natural gas usage in all City owned buildings
- promoting anti-idling campaign for City vehicles; replacing fleet with propane powered vehicles
- utilizing efficient, low energy street lights

Public

- promoting the Air Improvement Resolution (A.I.R.)

Recycling, Reducing and Reusing (The Three R's)

Corporate

- recycling office paper for sale to Pacific Rim countries
- recycling paper stock for letterhead, Council reports, business cards
- selling used motor oils, anti-freeze, glass, metal, office furniture
- recycling and reusing aluminum signs as newly painted signs

Public

- initiating major blue box and depot pilot project to test recycling in designated communities
- composting leaves; utilizing returnable garbage bags

Management of Hazardous Materials / Community Enhancement

Corporate

- building City facility for interim storage of waste pesticides and herbicides
- establishing hazardous materials and handling programs
- examining and replacing corroded underground fuel storage tanks

Public

- working on Elbow River watershed study to protect the city's drinking water supply
- assuming a leading role in community and riverways clean-up and enhancement projects
- promoting more and better parks, including pathways, in conjunction with developers
- approving budgets for the construction of a major expansion of Bonnybrook Wastewater Treatment Plant with new, enhanced levels of treatment

City Focus

The management and preservation of artwork bequests and civic records of enduring value is supported by City Council as a formal commemorative tribute to Calgary's history.

Calgary Allied Arts Foundation (CAAF)

The Foundation had its beginnings in the 1920s. By 1932 the Foundation was appointed a committee of City Council with responsibilities as curator and advisor relative to acquiring, lending, displaying and maintaining the civic art collection.

The collection consists of: works purchased by the Foundation, works transferred from the Convention Centre, Devonian Foundation contributions, and the donations of patrons and artists. The works may be viewed in the Calgary Public Library, City Hall Complex and the Public Building. The current inventory stands at 375 pieces with an appraised value of over $419,000.

City Archives

The Archives, a division of the City Clerk's Department, is the Corporate memory of The City of Calgary. The official repository of all civic records of enduring value, the Archives collects, preserves, and makes these records available to City staff and the general public.

Non-governmental documents which are of value to The City are also collected by the Archives. These collections include the personal papers of elected City officials, records of community groups or other organizations whose primary activity is at the local level. The Archives is also the official repository for records relating to the 1988 XV Olympic Winter Games.

During 1990 The City Archives officially opened its new 9,000 square foot facility on the ground floor of the Administration Building and The Board of Commissioners approved the Archive's new mandate which strengthened its role in the management of civic records.

Commissioned by The City, the sculpture on a Municipal Building Atrium pillar honours the Chief David Crowchild Memorial Award recipients. The award originates from the Sarcee Tribe, recognizing individuals or groups that foster good will between aboriginal and non-aboriginal cultures.

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Allocation of Tax Dollar
Tax Rate/Calgary Consumer Price Index

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To His Worship Mayor Al Duerr and Members of City Council The City of Calgary

Ladies *and* Gentlemen:

Annual Report on the Financial Affairs of The Corporation of The City of Calgary for the Year Ended 1990 December 31

In 1990 Calgary maintained a stable level of growth despite the commencement in early 1990 of the first prolonged recession since 1982. Rising energy prices, an increasingly diversified industrial base and relatively low unemployment underscored this positive economic environment. The Corporation of The City of Calgary continued to maintain a AA debt rating while preserving its quality service levels.

Continued population growth brought additional pressures on the budget of The City of Calgary as Calgary's population grew by more than 21,000 in 1990, topping the 700,000 mark by year-end. Demand for new housing was vigorous: nearly 4,500 single-family residential housing permits were issued and total building permits exceeded $960 million in value. This expansion created a demand for improvements to services and the physical infrastructure, yet The City maintained its strong record of prudent fiscal management.

In a year when the local inflation rate averaged 6.3%, the highest among Canada's major cities, The City's rate increases were held in check. Property and business tax rates increased by 3.2%, water and sanitary sewer utility rates rose 3.5%, and an electricity rate increase of 3.5%, originally forecast for January, 1990, was held off until October.

The City achieved a year end surplus exceeding $9 million, while reducing the draw on its Mill Rate Stabilization Reserve. Higher than budgeted usage of recreation facilities and Calgary Transit, and higher investment income and revenue from land transactions combined for $6 million of the surplus. Cost savings from improved facilities maintenance, and moderate salary settlements, contributed to the remaining surplus.

By December 1990, the tax-supported debt balance had been lowered another $36 million, to $925 million. No new debt was issued in 1990, despite pressures on the capital budget, as The City continued to adhere to its debt management policies.

Calgary was one of the few areas in the country to attain steady growth in the midst of an economic contraction. With opportunities for new businesses continuing to increase and a projected end to the current recession in 1991, we can look forward to a positive economic climate and further growth. It goes without saying that The City's financial well being, coupled with our outstanding quality of life, will continue to keep this city vibrant and desirable.

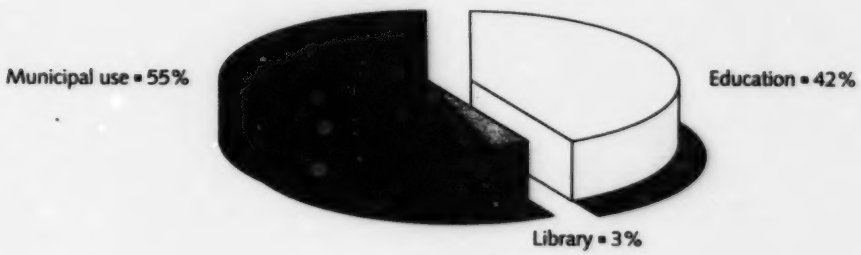
In conclusion, The City of Calgary is in a sound financial position as a result of the financial policies and leadership of City Council, Administration and staff who together have tenaciously followed the Corporation's financial strategic plans.

Respectfully presented,

Paul A. Dawson
Commissioner of Finance and Transportation

TAX DOLLAR ALLOCATION
for 1990

Tax Levy for	1990 Thousands of tax levy dollars	1990 Apportionment of each dollar	1989 Thousands of tax levy dollars	1989 Apportionment of each dollar
Education	**263,202**	**0.42**	239,091	0.41
Library	**16,151**	**0.03**	15,736	0.03
Municipal Use	**344,013**	**0.55**	323,776	0.56
	623,366	**1.00**	578,603	1.00



RESIDENTIAL TAX RATE
compared with Consumer Price Index
1981 - 1990 (%)

Auditors' Report To His Worship Mayor Al Duerr and Members of City Council The City of Calgary

We have audited the combined balance sheet of The City of Calgary as at December 31, 1990 and the combined statements of revenue and expenditure, equity in capital assets, surplus and cash flow for the year then ended. These financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these combined financial statements present fairly, in all material respects, the financial position of The City of Calgary as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the combined financial statements. As required by the Municipal Government Act (Alberta), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Peat Marwick Thorne

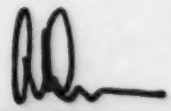
Chartered Accountants
Calgary, Canada
April 19, 1991

THE CITY OF CALGARY
COMBINED BALANCE SHEET

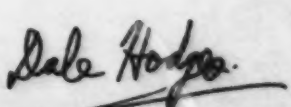
December 31, 1990
(in thousands of dollars)

	1990	1989
ASSETS		
Current assets		
Cash	**1,411**	1,560
Investments (Note 1b)	**349,933**	359,748
Receivables		
Taxes	**18,842**	15,919
Federal and Provincial governments	**10,390**	14,774
General	**57,018**	59,301
Inventories (Notes 1c and 2)	**66,196**	63,712
Other current assets	**2,349**	2,489
	506,139	517,503
Capital assets (Note 3)	**4,014,732**	3,842,091
Long term receivables	**24,222**	25,228
Land inventory	**79,284**	74,106
Trust funds	**30,314**	25,281
Other long term assets (Note 1f)	**27,362**	28,306
	161,182	152,921
	4,682,053	4,512,515
LIABILITIES		
Current liabilities		
Short term borrowing	**36,360**	29,986
Accounts payable (Note 1h)	**113,772**	119,626
Accrued interest	**63,514**	64,293
Deferred revenue	**7,717**	5,513
	221,363	219,418
Long term debt (Note 5)		
Tax supported	**925,048**	961,926
Self supported	**661,819**	658,742
Capital deposits (Note 6)	**80,874**	97,785
Trust funds	**30,314**	25,281
	1,698,055	1,743,734
Commitments and Contingent Liabilities (Note 7)		
EQUITY		
Equity in capital assets	**2,491,968**	2,291,617
Surplus	**270,667**	257,746
	2,762,635	2,549,363
	4,682,053	4,512,515

Approved on behalf of City Council:



Mayor Al Duerr



Alderman Dale Hodges
Chairman, Audit and Budget Committee

THE CITY OF CALGARY
COMBINED STATEMENT *of* REVENUE *and* EXPENDITURE

Year ended December 31, 1990
(in thousands of dollars)

REVENUE

	1990	1989
Property and business taxes (Note 9)	**623,366**	578,603
Revenue in lieu of property taxes	**99,393**	98,278
	722,759	676,881
Less requisitions from related authorities:		
Local school boards	**(224,941)**	(205,194)
Provincial School Foundation Program	**(38,261)**	(33,897)
Calgary Public Library Board	**(16,151)**	(15,736)
Net taxes available for municipal purposes	**443,406**	422,054
Sales of goods and services		
Electricity	**351,358**	354,785
Water and sewer	**139,363**	131,326
Public transit	**45,042**	43,924
Property sales and rentals	**30,703**	26,078
Recreation and culture	**16,218**	15,111
Parking	**8,534**	7,412
Waste disposal	**6,195**	5,573
Protective services	**7,451**	7,170
Other	**3,843**	4,519
	608,707	595,898
Unconditional transfers from other governments	**54,878**	54,840
Conditional transfers from other governments		
Debt interest rebates		
Tax supported	**17,984**	18,732
Self supported	**11,546**	12,196
Grants	**25,464**	22,196
	54,994	53,124
Other revenue		
Licenses, permits and fees	**19,822**	16,999
Investment income	**49,968**	48,508
Fines and penalties	**18,145**	17,291
Miscellaneous revenue	**6,792**	6,219
Net internal revenue from Service Funds	**6,906**	9,326
	101,633	98,343
Total revenue	**1,263,618**	1,224,259

EXPENDITURE

	1990	1989
General government	**63,611**	63,829
Protection		
Police	**97,316**	91,235
Fire	**67,359**	63,900
Other protective services	**21,298**	19,720
	185,973	174,855
Transportation		
Streets and traffic	**64,641**	61,854
Public transit	**88,378**	83,583
	153,019	145,437
Environmental health		
Water and sanitary sewer	**82,465**	79,409
Control of the environment	**30,812**	29,387
	113,277	108,796
Community development		
Parks facilities and recreation	**61,632**	58,487
Social services	**30,252**	28,349
Planning and urban development	**9,324**	8,096
Public housing and convention centre	**8,940**	8,927
	110,148	103,859
Other expenditure		
Electric system	**310,754**	317,461
Property operations	**13,870**	12,200
Financing charges (Note 10)		
Tax supported	**153,354**	158,328
Self supported	**79,688**	79,581
	557,666	567,570
Total expenditure	**1,183,694**	1,164,346
Total revenue	**1,263,618**	1,224,259
EXCESS *of* REVENUE OVER EXPENDITURE	**79,924**	59,913
Allocated as follows:		
Contribution to unappropriated surplus	**9,098**	18,268
Contribution to (from) reserves		
Mill Rate Stabilization Reserve	**(4,348)**	(13,176)
Allocation of investment income	**6,271**	4,737
Other reserves	**60,619**	41,791
Transfers to capital deposits	**7,790**	8,261
Refundable to other government	**494**	32
	79,924	59,913

THE CITY OF CALGARY
COMBINED STATEMENT *of* EQUITY *in* CAPITAL ASSETS

Year ended December 31, 1990
(in thousands of dollars)

From INTERNAL SOURCES	*1990*	*1989*
Opening balance	**842,976**	743,538
Transfer from surplus	**58,719**	63,722
Long term debt redeemed		
Tax supported	**36,087**	38,226
Self supported	**4,962**	3,285
Elimination of equity on disposals of fixed assets	**(4,987)**	(2,470)
Other	**(2,145)**	(3,325)
Closing balance	**935,612**	842,976
From EXTERNAL SOURCES		
Opening balance	**1,448,641**	1,364,508
Transfer from capital deposits		
Other governments	**44,276**	39,665
Private sources	**53,692**	32,784
Other contributions	**18,031**	19,008
Less–depreciation on donated assets	**(8,284)**	(7,324)
Closing balance	**1,556,356**	1,448,641
	2,491,968	2,291,617

COMBINED STATEMENT *of* SURPLUS

Year ended December 31, 1990
(in thousands of dollars)

UNAPPROPRIATED SURPLUS	*1990*	*1989*
Opening balance	**18,268**	14,358
Transfer to reserve for Mill Rate Stabilization	**(18,268)**	(14,358)
Unappropriated excess of revenue over expenditure	**9,098**	18,268
Closing balance	**9,098**	18,268
RESERVES		
Opening balance	**239,478**	255,490
Transfer from unappropriated surplus for Mill Rate Stabilization Reserve	**18,268**	14,358
Contribution (to) from revenue		
Mill Rate Stabilization Reserve:		
Per mill rate by-law	**(4,348)**	(13,176)
less investment income earned	**6,271**	4,737
Other reserves	**60,619**	41,791
Transfer to equity in capital assets	**(58,719)**	(63,722)
Closing balance (Note 8)	**261,569**	239,478
Combined balance–end of year	**270,667**	257,746

THE CITY OF CALGARY
COMBINED STATEMENT *of* CASH FLOW

Year ended December 31, 1990
(in thousands of dollars)

	1990	*1989*
OPERATING ACTIVITIES		
Cash receipts		
Taxes and revenue in lieu of taxes	**674,374**	632,878
Goods and services	**619,167**	631,372
Transfers from other governments	**116,463**	103,436
Other revenue	**93,386**	88,141
	1,503,390	1,455,827
Cash disbursements		
Education and library requisitions	**(279,149)**	(254,827)
Municipal operations	**(882,407)**	(869,767)
Financing charges	**(233,925)**	(238,712)
	(1,395,481)	(1,363,306)
	107,909	92,521
INVESTING ACTIVITIES		
Capital assets acquired	**(230,752)**	(226,341)
Proceeds from disposal of fixed assets	**1,025**	3,022
Other long term assets	**(919)**	(3,270)
Decrease in non-cash working capital	**4,661**	392
	(225,985)	(226,197)
FINANCING ACTIVITIES		
Long term debt issued	**29,000**	30,353
Long term debt redeemed	**(20,994)**	(18,775)
Contributions and capital deposits	**93,384**	99,951
Decrease in non-cash working capital	**348**	7,843
	101,738	119,372
Decrease in Cash	**(16,338)**	(14,304)
Opening Cash	**331,322**	345,626
Closing Cash	**314,984**	331,322
Cash is made up of:		
Cash	**1,411**	1,560
Investments	**349,933**	359,748
Less – Short term borrowing	**(36,360)**	(29,986)
	314,984	331,322

December 31, 1990
(in thousands of dollars)

1. ACCOUNTING POLICIES

The combined financial statements of The City of Calgary have been prepared on the accrual basis of accounting and reflect the following significant accounting principles:

a) Combined Financial Statements

The combined statements comprise primarily those tax supported and self-supporting funds whose operations and assets are under the control of City Council. These funds include:

i) General Fund – the separate activities of 14 major, municipal services as well as The City's administrative support

ii) Utilities – self-supporting provisions of electric power, waterworks and sanitary sewer

iii) Service Funds – servicing of City's needs for land and vehicles

iv) Calgary Convention Centre – capital assets and liabilities and net operating expenditure

v) Calgary Parking Authority – assets, liabilities and operations of this wholly owned company

vi) Trust Funds – cash and investments held primarily for capital projects of external parties

vii) Social Housing Programs – The City's participation in:

a) assets, liabilities and share of net operating expenditure of public housing activity under agreements with other governments
b) assets, liabilities and operations of Calhome Properties Ltd., a wholly owned company
c) operating contribution to Metropolitan Calgary Foundation, a related housing authority.

b) Investments

Investments are recorded at cost. At December 31, 1990, the market values of these investments totalled $357,240 (1989 – $364,173).

c) Inventories

Materials and supplies are valued at the lower of cost and replacement cost. Lands under development for resale and for subdivision are valued at cost.

d) Capital Assets

i) Fixed assets are recorded at cost and include:
- donated assets which are recorded at their estimated fair value
- assets held under capital leases
- costs of debt and equity capital used during construction of Electric System facilities.

ii) Fixed assets of the General Fund and the Social Housing Programs are not depreciated. Accordingly, debenture principal and interest are included in financing charges.

In the Utility and Service Funds, fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

Buildings	Over 25 years
Distribution Systems	
• Electrical	Over 30 years
• Waterworks	Over 50 years
• Sanitary Sewer	Over 40 years
• Machinery and Equipment	Over 5 – 20 years
• Vehicles	Over 4 – 8 years
• Sundry	At varying rates

December 31, 1990
(in thousands of dollars)

e) Land Inventory

Land inventory is valued at cost and comprises lands held for future civic and industrial developments.

f) Other Long Term Assets

Other long term assets comprise mainly The City's share of costs of land and other capital assets which have been acquired by other authorities. These costs are reduced according to payments made on the related outstanding debentures.

g) Revenue Recognition

Revenues are recorded on an accrual basis except for utility revenues. Utilities are billed on a monthly cyclical basis for a full twelve month period and no accrual is recorded for revenue earned between the last cyclical billing date and the year end.

h) Expenditure Recognition

The City of Calgary records amounts for outstanding purchase orders on an accrual basis at the balance sheet date. Accordingly the statement of revenue and expenditure includes expenditures of approximately $5,504 (1989 – $4,718) in respect of this policy. The liability for this amount is included in accounts payable.

2. INVENTORIES

Inventories comprise the following:

	1990	*1989*
Materials and supplies	$48,239	$44,811
Lands under development	17,957	18,901
	$66,196	$63,712

December 31, 1990
(in thousands of dollars)

3. CAPITAL ASSETS

	1990			1989
	COST	ACCUMULATED DEPRECIATION	NET BOOK VALUE	NET BOOK VALUE
Land	$ 421,687	$ –	$ 421,687	$ 414,766
Buildings	845,311	68,337	776,974	773,100
Systems & Structures	2,586,543	306,504	2,280,039	2,158,950
Machinery, Equipment and Furnishings	385,554	58,513	327,041	312,738
	4,239,095	433,354	3,805,741	3,659,554
Uncompleted Projects				
Land	102,687	–	102,687	95,273
Construction	106,304	–	106,304	87,264
	$4,448,086	$ 433,354	$4,014,732	$3,842,091

Accumulated depreciation increased in 1990 by charges to operating expenditure of $43,971 (1989 – $38,885) and to equity in capital assets of $8,284 (1989 – $7,324), the latter being in respect of donated assets.

4. EMPLOYEE BENEFITS

The City of Calgary contributes to various employee benefits as follows:

Civic Employees

a) provincial pension benefits under the Local Authorities Pension Plan
b) medical and disability benefits under coverages of the Calgary Civic Employees Benefit Society

Civic Firefighters

a) provincial pension benefits under the Local Authorities Pension Plan
b) supplementary pension benefits under a civic pension plan

Police Force

a) basic and supplementary pension benefits under the provincial Special Forces Plan
b) supplementary pension benefits to members who were retired as at September 1, 1979

General

Most employees have certain death and disability benefits provided within their labor agreements.

For the non-provincial plans, The City maintains contribution levels as required by contractual agreements.

Actuarial valuations of the firefighters' supplementary pension plan and the long term disability plan, determined as at December 31, 1988 and January 1, 1990 respectively, indicated deficiencies of approximately $16,000 and $52,000. The City is reviewing further funding for its share of these projected deficiencies.

In addition, civic employees may defer earned vacation and overtime to future years. The estimated value of $19,895 (1989 – $17,527) is not reflected in the balance sheet.

The City has a reserve of $10,689 to support future payments.

December 31, 1990
(in thousands of dollars)

5. LONG TERM DEBT

a) Long term debt comprises the following:

	1990	*1989*
Tax supported debentures	$ 922,632	$ 958,380
Self supported debentures	556,960	551,895
Mortgages	98,717	99,340
Capital leases	8,558	11,053
	$1,586,867	$1,620,668

The existing debt matures in annual amounts to year 2023. Current additions of tax supported debentures are limited by policy to terms not exceeding ten years.

b) The following payments of principal are required on existing long term debt:

	DEBENTURES, MORTGAGES	CAPITAL LEASES
1991	$ 66,203	$ 2,885
1992	69,571	2,768
1993	69,319	3,742
1994	72,433	613
1995	74,878	–
thereafter	1,225,905	–
	$1,578,309	$ 10,008
less interest – imputed at rates varying from 7.55% to 12.29%		(1,450)
		$ 8,558

c) Debenture interest is payable, before Provincial subsidy, at rates ranging from 5.25% to 12.50% per annum. Debenture debt held at year end has an average rate of interest of 11.94% (1989 – 11.92%) before Provincial subsidy, and 10.38% (1989 – 10.34%) after Provincial subsidy.

The mortgages of Calhome Properties Ltd. of $83,677 (1989 – $84,191) are payable with interest ranging from 10.25% to 12.36% before subsidy, and from 2.00% to 6.50% after subsidy.

d) The Province of Alberta rebates partial interest paid on debentures issued prior to March 29, 1986. Electric System debentures are excluded.

The rebates apply for five years on debentures issued between April 1, 1982 and March 28, 1986, and for full terms on earlier issues. Rebates equal interest paid in excess of 11% on debentures issued between March 27, 1981 and March 28, 1986, 9% on issues between April 1, 1980 and March 26, 1981, and 8% on issues between January 1, 1974 and March 31, 1980.

December 31, 1990
(in thousands of dollars)

6. CAPITAL DEPOSITS

Capital deposits represent monies received for various capital projects from land developers, pursuant to development agreements or the Alberta Planning Act and from other governments, through incentive programs or grants. The deposits must be expended on the project for which they are designated and are transferred to equity in capital assets as expenditures are made.

Current transactions are summarized below:

	1990	*1989*
Opening balance	$97,785	$80,219
New deposits	73,347	81,457
Investment income	7,790	8,261
Transfers to Equity in Capital Assets	(97,968)	(72,449)
Other	(80)	297
Closing balance	$80,874	$97,785

7. COMMITMENTS *and* CONTINGENT LIABILITIES

a) Commitments totalling $40,459 (1989 – $51,173) are not reflected in the balance sheet. This amount represents uncompleted portions of contracts on major projects and estimated obligations under other various agreements.

b) No provision has been made in the balance sheet for various lawsuits filed against The City, as legal counsel believes The City has minimum exposure as at December 31, 1990. Also no provision has been made for pending expropriations beyond the payments already made to affected property owners. Any payment made by The City pursuant to settlement is charged to the year of settlement.

c) Fixed assets of $102,694 (1989 – $102,694) have been pledged as security against mortgages outstanding in the amount of $98,717 (1989 – $99,339).

December 31, 1990
(in thousands of dollars)

8. RESERVES

Combined reserves are attributable to the following:

	1990	*1989*
Mill rate stabilization(see below)	$ 74,918	$ 54,727
Debt financing	15,532	23,513
Reinvestment in land and improvements	84,219	81,254
Industrial land equity	142	1,397
Parking facilities	12,550	11,154
Future employee benefits	10,689	10,689
Self-insurance	7,700	5,481
Olympic Archives	512	480
Winter Festival	2,358	2,304
Capital expenditures	5,087	5,373
Social housing facilities	4,912	4,019
Utilities		
Electric System	28,833	26,572
Waterworks	5,000	5,000
Sanitary Sewer	5,000	5,000
Other	4,077	2,515
	$261,569	$239,478

Current activity in the Mill Rate Stabilization Reserve is as follows:

	1990	*1989*
Opening balance	$ 54,727	$ 48,808
Contributions (to) from revenue		
To Mill Rate per by-law	(4,348)	(13,176)
Interest earned	6,271	4,737
Net contribution to revenue	1,923	(8,439)
Transfers from unappropriated surplus	18,268	14,358
Closing balance	$ 74,918	$ 54,727

December 31, 1990
(in thousands of dollars)

9. LOCAL IMPROVEMENT LEVIES

Property and business tax revenue includes $5,988 (1989 – $5,966) of local improvements levied in the current year. These levies are collectable from property owners for work authorized by them and performed by The City. The costs of construction and borrowing are recovered in annual amounts during the period of related borrowing to a maximum of fifteen years. At December 31, 1990, the outstanding costs collectable in future years amount to $47,655 which are not reflected in the balance sheet.

10. FINANCING CHARGES

	1990	*1989*
Long term debt		
Interest	**$190,278**	$194,064
Principal	**41,422**	41,825
Other interest and charges	**1,342**	2,020
	$233,042	$237,909

In addition to the above, financing charges of $1,546 (1989 – $1,628) for certain activities are included within other expenditure items.

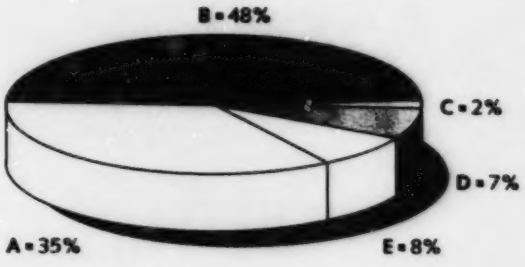
11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

THE CITY OF CALGARY
FINANCIAL SCHEDULES
(unaudited)

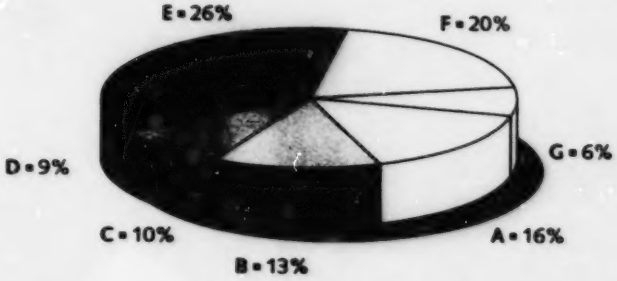
REVENUE *and* EXPENDITURE
in 1990

Revenue



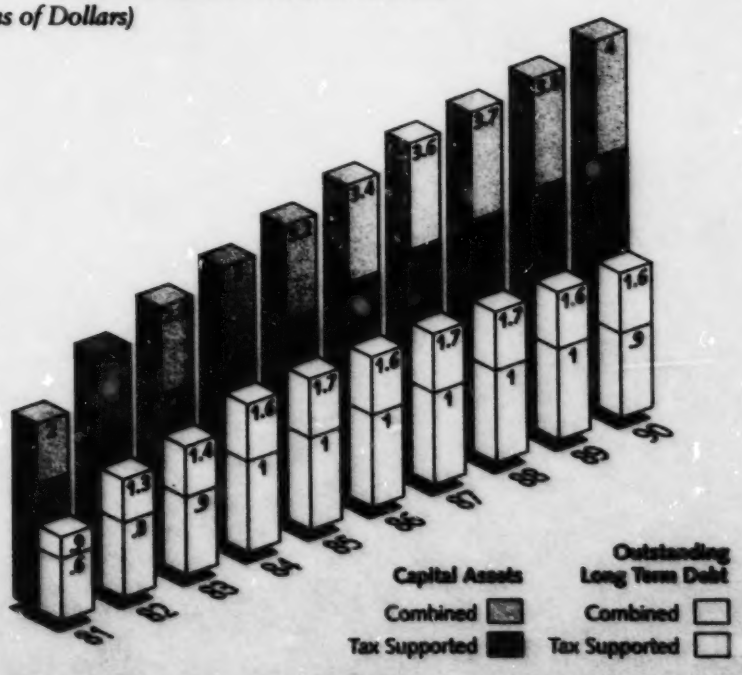
		Thousands of dollars	%
A	Taxes and revenue-in-lieu for city municipal purposes	443,406	35
B	Sales of goods and services	608,707	48
C	Debenture interest rebates	29,530	2
D	Transfers from other governments	80,342	7
E	Other revenue	101,633	8
		1,263,618	100

Expenditure



A	Protection	185,973	16
B	Transportation	153,019	13
C	Environmental health	113,277	10
D	Community development	110,148	9
E	Electric System	310,754	26
F	Financing charges	233,042	20
G	General government and others	77,481	6
		1,183,694	100

CAPITAL ASSETS *and* LONG TERM DEBT
1981 - 1990 (Billions of Dollars)



THE CITY OF CALGARY
INVESTMENTS
(unaudited)

December 31, 1990
(in thousands of Cdn dollars)

	1990		1989	
	COST	MARKET VALUE	COST	MARKET VALUE
CDN $ INVESTMENTS				
Government of Canada – treasury bills	**173,956**	**180,327**	132,962	137,000
– bonds	**52,666**	**52,914**	40,382	40,026
Provincial bonds	**25,693**	**25,555**	12,709	12,569
Municipal bonds	**5,378**	**5,246**	5,910	5,745
Canadian domestic banks	**11,399**	**11,500**	74,975	75,897
Other Canadian corporations	**61,307**	**61,980**	53,372	53,458
Foreign banks operating in Canada	**3,111**	**3,291**	30,016	30,159
	333,510	**340,813**	350,326	354,854
US $ INVESTMENTS				
Canadian domestic banks	**7,538**	**7,535**	3,474	3,474
US Treasury bonds	**8,885**	**8,892**	5,934	5,839
Other	**–**	**–**	14	6
	16,423	**16,427**	9,422	9,319
	349,933	**357,240**	359,748	364,173

CONTINUITY *of* TAXES RECEIVABLE
(unaudited)

Year ended December 31, 1990
(in thousands of dollars)

	CURRENT TAXES		TAX & PENALTY	
	PROPERTY	BUSINESS	ARREARS	TOTAL
BALANCE, *January 1*	–	–	16,519	16,519
Current levies	530,483	98,309	–	628,792
Non-tax items for collection	11	39	–	50
Penalties	2,252	508	1,416	4,176
Cancellations of tax arrears	–	–	(3,393)	(3,393)
Write-off of taxes	(130)	(314)	(334)	(778)
Net Collectable	532,616	98,542	14,208	645,366
Collections				
Payments received	(518,806)	(95,371)	(10,347)	(624,524)
Discounts	(126)	(1,174)	–	(1,300)
Transfers to arrears	(13,684)	(1,997)	15,681	0
BALANCE, *December 31*	0	0	19,542	19,542
Allowance for doubtful tax accounts	–	–	(700)	(700)
Net Balance	0	0	18,842	18,842
COLLECTION PERCENTAGES				
1990	**97.4**	**98.0**	**72.8**	**97.0**
1989	98.1	98.2	41.4	97.2

THE CITY OF CALGARY
LONG TERM DEBT
(unaudited)

Year ended December 31, 1990
(in thousands of dollars)

CONTINUITY *of* LONG TERM DEBT

	1990	1989
Long term debt outstanding – beginning of year	**1,620,668**	1,651,394
New issues or additions during year		
Debentures (no tax supported issues in 1990 and 1989)	**29,000**	30,353
Debt paid during the year		
Debentures	**(59,683)**	(57,811)
Mortgages	**(623)**	(564)
Capital leases	**(2,495)**	(2,704)
	(62,801)	(61,079)
Net decrease during the year	**(33,801)**	(30,726)
Long term debt outstanding – end of year	**1,586,867**	1,620,668

DEBT - *By* PURPOSE

Transportation	**605,948**	625,425
Environmental health	**379,418**	381,774
Environmental development	**173,898**	176,346
Recreational and cultural	**183,084**	191,297
Electrical services	**122,862**	121,169
Protective services	**29,919**	31,481
Public health and welfare	**90,882**	91,817
General government	**856**	1,359
Long term debt outstanding	**1,586,867**	1,620,668
Made up of:		
Tax supported	**925,048**	961,926
Self supported	**661,819**	658,742
	1,586,867	1,620,668

THE CITY OF CALGARY
SCHEDULE of CAPITAL ASSETS
(unaudited)

December 31, 1990
(in thousands of dollars)

	Asset Balances At Year End	
	Uncompleted Capital Projects	Land
PROTECTION		
Fire	1,270	1,806
Police	467	4,534
Emergency Medical Services	–	337
TRANSPORTATION		
Streets, roads and lanes	115,751	133,146
Transit System	46,951	48,838
Parking Authority	77	9,829
Other	3,047	–
ENVIRONMENTAL HEALTH		
Garbage and waste collection	255	5,933
Drains and ditches	3,823	2,659
COMMUNITY DEVELOPMENT		
Social services	–	29
Urban renewal	310	1,020
Recreation and culture	17,902	138,327
GENERAL GOVERNMENT	2,571	31,328
	192,424	377,786
UTILITIES		
Electric System	10,970	4,615
Waterworks	1,795	2,482
Sanitary Sewer	1,706	1,268
	14,471	8,365
SERVICE FUNDS		
Fleet Operations	2,087	17
Land Services	–	1,946
	2,087	1,963
SOCIAL HOUSING PROGRAMS	9	33,573
Total	208,991	421,687
Less: Accumulated Depreciation	–	–
Net Capital Assets	208,991	421,687

Buildings	Systems and Structures	Machinery, Equipment, Furnishings	Total
21,742	1,207	13,687	39,712
27,935	9,166	15,533	57,635
1,464	33	2,547	4,381
7,903	756,282	11,622	1,024,704
100,325	320,254	151,546	667,914
–	59,059	5,389	74,354
–	16,496	–	19,543
7,913	3,649	1,844	19,594
–	147,515	164	154,161
1,735	–	13	1,777
–	–	–	1,330
207,829	113,535	4,075	481,668
174,110	3,773	52,752	264,534
550,956	1,430,969	259,172	2,811,307
42,591	395,540	20,405	474,121
–	573,779	15,708	593,764
162,388	181,531	4,785	351,678
204,979	1,150,850	40,898	1,419,563
8,826	1,959	85,455	98,344
–	2,735	–	4,681
8,826	4,694	85,455	103,025
80,550	30	29	114,191
845,311	2,586,543	385,554	4,448,086
(68,337)	(306,504)	(58,513)	(433,354)
776,974	2,280,039	327,041	4,014,732

THE CITY OF CALGARY
UTILITIES BALANCE SHEET
(unaudited)

December 31, 1990
(in thousands of dollars)

		Electric System	
		1990	*1989*
ASSETS			
	Cash	**2**	2
	Due from other governments	**–**	–
	Other receivables	**23,152**	20,465
	Inventories	**13,744**	16,530
	Due from other funds	**22,899**	24,998
	Other current assets	**765**	981
		66,562	62,976
	Uncompleted capital projects	**10,970**	15,874
	Fixed assets	**463,151**	421,271
	Less – accumulated depreciation	**(147,172)**	(132,716)
		326,949	304,429
	Long term receivables	**240**	–
		393,751	367,405
LIABILITIES			
	Accounts payable	**33,681**	32,190
	Accrued interest	**4,287**	4,214
		37,968	36,404
	Long term debt	**116,360**	113,823
	Capital deposits	**2,928**	2,882
		119,288	116,705
EQUITY			
	Equity in capital assets	**207,662**	187,724
	Surplus	**28,833**	26,572
		236,495	214,296
		393,751	367,405

Waterworks System		Sanitary Sewer System		Total	
1990	*1989*	*1990*	*1989*	*1990*	*1989*
–	–	–	–	2	2
772	793	696	709	1,468	1,502
4,951	4,859	3,538	3,477	31,641	28,801
2,844	2,680	1,131	1,100	23,719	20,310
15,887	19,181	26,036	20,181	64,822	64,360
71	109	4	14	840	1,104
24,525	27,622	31,405	25,481	122,492	116,079
1,795	1,280	1,706	2,205	14,471	19,359
591,569	554,104	349,972	337,854	1,405,092	1,313,229
(122,264)	(110,002)	(108,089)	(96,815)	(377,525)	(339,533)
471,500	445,382	243,589	243,244	1,042,038	993,055
–	–	–	–	240	–
496,025	473,004	274,994	268,725	1,164,770	1,109,134
2,961	2,595	1,527	1,142	38,169	35,927
10,021	9,855	5,409	5,534	19,717	19,603
12,982	12,450	6,936	6,676	57,886	55,530
236,143	234,299	116,823	119,831	469,326	467,953
3,500	3,528	1,327	2,964	7,755	9,374
239,643	237,827	118,150	122,795	477,081	477,327
238,400	217,727	144,908	134,254	590,970	539,705
5,000	5,000	5,000	5,000	38,833	36,572
243,400	222,727	149,908	139,254	629,803	576,277
496,025	473,004	274,994	268,725	1,164,770	1,109,134

THE CITY OF CALGARY
UTILITIES STATEMENT *of* REVENUE *and* EXPENDITURE
(unaudited)

Year ended December 31, 1990
(in thousands of dollars)

	ELECTRIC SYSTEM	
	1990	*1989*
REVENUE		
Sales of services	**351,358**	354,785
Conditional transfers from other governments		
Debenture interest rebates	**–**	–
Grants	**10**	12
Other revenue		
Permits and fees	**1,141**	1,120
Investment income	**241**	230
Penalties	**384**	365
Miscellaneous revenue	**1,305**	1,236
	354,439	357,748
EXPENDITURE		
Operations		
Power purchases	**223,980**	232,177
Substations	**3,061**	2,872
Transmission and distribution	**18,924**	19,360
Pumping	**–**	–
Purification and treatment	**–**	–
Depreciation	**17,577**	15,155
Taxation of revenue	**32,205**	32,624
Administration	**6,805**	7,153
Customer billing and collection	**8,202**	8,120
	310,754	317,461
Financing charges	**12,842**	12,438
Capitalization of cost of funds used during construction	**(890)**	(1,169)
	322,706	328,730
EXCESS *of* REVENUE OVER EXPENDITURE	**31,733**	29,018
Allocated as follows:		
Contribution to General Fund	**20,548**	19,843
Contribution to reserves	**11,185**	9,175
	31,733	29,018

Waterworks System		Sanitary Sewer System		Total	
1990	*1989*	*1990*	*1989*	*1990*	*1989*
81,192	76,581	58,171	54,745	490,721	486,111
2,808	3,151	1,910	1,945	4,718	5,096
–	32	–	–	10	44
–	–	157	154	1,298	1,274
1,506	2,171	1,896	1,761	3,643	4,162
84	78	67	61	535	504
649	536	16	11	1,970	1,783
86,239	82,549	62,217	58,677	502,895	498,974
–	–	–	–	223,980	232,177
–	–	–	–	3,061	2,872
13,213	11,897	7,207	7,538	39,344	38,795
7,179	6,762	–	–	7,179	6,762
1,134	1,016	12,092	11,850	13,226	12,866
8,274	7,794	7,702	7,617	33,553	30,566
8,073	8,001	5,760	5,420	46,098	46,045
3,660	3,557	2,898	2,751	13,363	13,461
2,673	2,654	2,600	2,552	13,475	13,326
44,206	41,681	38,259	37,728	393,219	396,870
27,400	27,107	14,218	14,529	54,490	54,074
–	–	–	–	(890)	(1,169)
71,606	68,788	52,477	52,257	446,789	449,775
14,633	13,761	9,740	6,420	56,106	49,199
7,709	7,422	4,955	4,880	33,212	32,145
6,924	6,339	4,785	1,540	22,894	17,054
14,633	13,761	9,740	6,420	56,106	49,199

THE CITY OF CALGARY
UTILITIES STATEMENT *of* EQUITY
(unaudited)

Year ended December 31, 1990
(in thousands of dollars)

	ELECTRIC SYSTEM	
EQUITY *in* CAPITAL ASSETS	*1990*	*1989*
From internal sources		
Opening balance	**180,592**	167,315
Transfer from surplus	**8,924**	13,277
Closing balance	**189,516**	180,592
From external sources		
Opening balance	**7,132**	575
Transfers from capital deposits		
Other governments	**–**	–
Private sources	**11,627**	6,783
Other contributions	**–**	–
Less – Depreciation on donated assets	**(613)**	(226)
Closing balance	**18,146**	7,132
	207,662	187,724
SURPLUS		
Reserves		
Opening balance	**26,572**	35,674
Contributions from revenue	**11,185**	9,175
Transfer to equity in capital assets	**(8,924)**	(13,277)
Transactions with General Fund	**–**	(5,000)
Closing balance	**28,833**	26,572

Waterworks System		Sanitary Sewer System		Total	
1990	*1989*	*1990*	*1989*	*1990*	*1989*
62,002	55,663	35,466	35,058	278,060	258,036
6,924	6,339	4,785	408	20,633	20,024
68,926	62,002	40,251	35,466	298,693	278,060
155,725	145,757	98,788	94,173	261,645	240,505
70	–	97	–	167	–
4,335	3,648	2,982	2,108	18,944	12,539
13,332	9,953	6,362	5,846	19,694	15,799
(3,988)	(3,633)	(3,572)	(3,339)	(8,173)	(7,198)
169,474	155,725	104,657	98,788	292,277	261,645
238,400	217,727	144,908	134,254	590,970	539,705
5,000	5,000	5,000	3,868	36,572	44,542
6,924	6,339	4,785	1,540	22,894	17,054
(6,924)	(6,339)	(4,785)	(408)	(20,633)	(20,024)
–	–	–	–	–	(5,000)
5,000	5,000	5,000	5,000	38,833	36,572

THE CITY OF CALGARY
UTILITIES STATEMENT *of* CASH FLOW
(unaudited)

Year ended December 31, 1990
(in thousands of dollars)

	ELECTRIC SYSTEM	
	1990	*1989*
OPERATING ACTIVITIES		
Cash receipts		
Sales of service	350,651	353,546
Transfers from other governments	10	12
Other revenue	967	2,571
	351,628	356,129
Cash disbursements		
Operations	(262,298)	(270,413)
Financing charges	(11,879)	(11,161)
Taxation of revenue	(32,205)	(32,624)
	(306,382)	(314,198)
Contribution to General Fund	(20,548)	(19,843)
	24,698	22,088
INVESTING ACTIVITIES		
Capital assets acquired	(39,818)	(43,884)
Proceeds from disposal of fixed assets	(892)	1,357
Other long term assets	(240)	–
Transactions with General Fund	–	–
(Increase) decrease in non–cash working capital	242	(297)
	(40,708)	(42,824)
FINANCING ACTIVITIES		
Long term debt issued	6,500	7,850
Long term debt redeemed	(3,963)	(3,420)
Contributions and capital deposits	11,673	9,665
Transactions with General Fund	–	(5,000)
(Increase) decrease in non–cash working capital	(299)	448
	13,911	9,543
Net change in account with General Fund	2,099	11,192
Decrease in Cash	0	(1)
Opening cash	2	3
Closing cash	2	2

Waterworks System		Sanitary Sewer System		Total	
1990	*1989*	*1990*	*1989*	*1990*	*1989*
80,996	76,386	58,031	54,802	489,678	484,734
2,829	3,328	1,923	1,957	4,762	5,297
2,236	2,785	2,136	1,987	5,339	7,343
86,061	82,499	62,090	58,746	499,779	497,374
(28,016)	(25,466)	(24,515)	(24,689)	(314,829)	(320,568)
(27,234)	(26,828)	(14,343)	(14,643)	(53,456)	(52,632)
(8,073)	(8,001)	(5,760)	(5,420)	(46,038)	(46,045)
(63,323)	(60,295)	(44,618)	(44,752)	(414,323)	(419,245)
(7,709)	(7,422)	(4,955)	(4,880)	(33,212)	(32,145)
15,029	14,782	12,517	9,114	52,244	45,984
(38,380)	(32,400)	(11,619)	(13,204)	(89,817)	(89,488)
–	–	–	9	(892)	1,366
–	–	–	–	(240)	–
–	–	–	39	–	39
504	(497)	161	(139)	907	(933)
(37,876)	(32,897)	(11,458)	(13,295)	(90,042)	(89,016)
8,094	10,000	–	–	14,594	17,850
(6,250)	(5,633)	(3,008)	(2,942)	(13,221)	(11,995)
17,709	13,409	7,804	9,441	37,186	32,515
–	–	–	(2,054)	–	(7,054)
–	–	–	–	(299)	448
19,553	17,776	4,796	4,445	38,260	31,764
3,294	339	(5,855)	(264)	(462)	11,267
0	0	0	0	0	(1)
–	–	–	–	2	3
0	0	0	0	2	2

THE CITY OF CALGARY
STATISTICAL REVIEW
(unaudited)

1981 to 1990

		Unit of Expression	1990	1989
Population Estimated, December 31		unit	**703,000**	687,000
Area		sq. km.	**702**	672
Taxable Assessment	(d)	$000's	**17,273,000**	16,847,000
Total per capita	(d)	$	**24,570**	24,523
Residential portion		%	**64**	64
Tax Levy		$000's	**623,366**	578,603
Municipal		%	**55.2**	56.0
Education		%	**42.2**	41.3
Public Library Board		%	**2.6**	2.7
Mill Rates (Single-residential)				
Municipal	(d)	mills	**12.332**	11.923
Education and Library	(d)	mills	**13.221**	12.441
Mill Rates (Non-residential)				
Municipal	(d)	mills	**17.973**	17.390
Education and Library	(b)(d)	mills	**18.563**	17.217
Tax Arrears		$000's	**18,842**	16,519
Per capita		$	**27**	24
Portion of Net Collectable		%	**2.9**	2.8
Building Permits Applied for		$000's	**966,000**	977,000
Combined Capital Expenditure		$000's	**230,752**	226,341
Combined Capital Assets		$000's	**4,014,732**	3,842,091
Financed approximately by	(c)			
a) External contributions		%	**38.8**	37.7
b) Internal sources		%	**23.3**	21.9
c) Long term debt outstanding		%	**39.5**	42.2
Combined Long Term Debt		$000's	**1,586,867**	1,620,668
Tax supported		%	**58.3**	59.4
Per capita, tax supported		$	**1,316**	1,400
Combined Financing Charges				
Before provincial subsidy		$000's	**233,042**	237,909
Share of operating expenditure		%	**19.7**	20.4
After provincial subsidy		$000's	**203,512**	206,981
Share of operating expenditure		%	**17.6**	18.3
Combined Operating				
Revenue		$000's	**1,263,618**	1,224,259
Expenditure		$000's	**1,183,694**	1,164,346
General Fund Revenue Sources		$000's	**751,301**	720,147
Taxes and grants-in-lieu		%	**59.0**	58.6
Government transfers		%	**13.0**	13.2
General operations		%	**22.8**	22.4
Utilities and service funds contributions		%	**5.2**	5.8

(a) All combined amounts above reflect assets, liabilities and operations of the General Fund, the Utilities, Social Housing Programs, and the Service Funds.

(b) These mill rates include the levy for the Provincial School Foundation program.

1981 to 1990

1988	*1987*	*1986*	*1985*	*1984*	*1983*	*1982*	*1981*
666,000	654,000	646,000	637,000	624,000	620,000	621,000	615,000
528	528	528	528	527	527	509	502
16,559,000	16,431,000	3,018,000	2,981,000	2,963,000	2,847,000	2,711,000	2,517,000
24,863	25,124	4,672	4,680	4,748	4,592	4,366	4,093
64	64	64	64	64	63	64	65
546,319	510,977	494,424	475,809	459,312	432,060	376,112	302,768
55.4	53.7	55.2	55.2	55.2	55.3	55.5	56.8
41.8	43.6	42.1	42.3	42.6	42.5	42.2	40.9
2.8	2.7	2.7	2.5	2.2	2.2	2.3	2.3
11.519	10.906	57.777	56.490	55.287	53.102	48.446	42.665
11.967	11.405	59.664	57.000	54.503	51.528	47.214	39.695
16.800	15.263	82.596	80.610	77.934	74.886	68.431	60.271
16.890	16.741	86.662	86.500	85.646	84.774	76.469	65.299
18,409	18,880	18,395	22,618	34,299	41,861	33,767	25,158
28	29	28	36	55	68	54	41
3.2	3.5	3.5	4.4	6.8	8.9	8.4	7.8
629,000	651,000	573,000	478,000	400,000	428,000	1,080,000	2,537,000
149,611	198,277	246,646	248,262	225,298	327,988	549,258	415,223
3,666,808	3,569,429	3,415,007	3,220,980	3,008,742	2,818,241	2,529,298	2,022,666
37.2	37.2	36.6	36.6	35.2	35.5	37.3	40.2
20.3	18.9	17.9	16.2	15.7	14.7	14.7	16.4
45.0	46.4	48.3	51.4	53.9	49.8	51.1	45.0
1,651,394	1,654,666	1,649,816	1,654,241	1,622,178	1,403,138	1,291,538	910,565
60.4	60.8	61.3	62.6	61.3	60.7	63.4	64.9
1,499	1,539	1,567	1,625	1,594	1,374	1,320	961
236,828	250,142	266,672	258,093	234,297	202,196	156,092	101,149
21.0	22.7	24.2	25.1	24.4	22.3	19.9	16.4
204,503	201,097	202,610	192,981	174,799	148,194	114,137	78,930
18.7	19.1	19.5	20.0	19.4	17.4	15.4	13.3
1,171,583	1,120,747	1,120,709	1,091,503	1,021,744	934,937	854,476	706,138
1,128,748	1,101,461	1,102,706	1,028,472	959,211	905,781	784,719	616,606
679,061	636,973	643,189	629,391	601,728	563,728	537,057	431,074
58.5	57.1	55.9	55.2	55.2	55.4	51.9	51.7
13.5	15.1	16.0	15.8	15.1	16.2	18.2	16.1
22.2	21.7	22.4	24.0	24.9	23.1	24.7	26.3
5.8	6.1	5.7	5.0	4.8	5.3	5.2	5.9

(c) Financing of combined capital assets may exceed the combined capital assets as long term debt funds not utilized at year end are temporarily invested.

(d) There was a general re-assessment in 1987.

Credits

Design:
KARO Design Resources, Calgary.

Photography:
John Dean, Calgary.
Wes Raymond, Calgary.

Printing:
First Western Printing, Calgary.

Printed on recycled paper.